



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

Bureau of Health Services

Department of Community Health

Report Number:
63-430-03

Released:
April 2004

The mission of the Bureau of Health Services (BHSE), Department of Community Health, is to protect the health, safety, and welfare of the citizens of Michigan by ensuring that providers of health services meet required standards of practice. BHSE is responsible for licensing health care professionals, investigating allegations it receives against them, and, when appropriate, taking action to discipline professionals determined to have violated the Public Health Code.

Audit Objectives:

1. To assess BHSE's effectiveness and efficiency in administering its licensing functions.
2. To assess BHSE's effectiveness and efficiency in responding to consumer allegations and complaints.
3. To assess BHSE's effectiveness and efficiency in the administration of other selected BHSE activities.

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Audit Conclusions:

1. We concluded that BHSE was generally effective and efficient in administering its licensing functions.
2. We concluded that BHSE was generally effective and efficient in responding to consumer allegations and complaints.
3. We concluded that BHSE was generally effective and efficient in the

administration of other selected
BHSE activities.

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Noteworthy Accomplishments:

In January 2001, BHSE implemented the licensing phase of a new database system called License 2000. During fiscal year 2001-02, the complaint and compliance tracking phase of License 2000 was implemented so that only one database system tracks licensing, regulatory, and compliance functions instead of each area having its own database. Implementation of License 2000 has allowed BHSE to also implement on-line license renewal for all health care professionals and allows new license applicants the opportunity to verify the status of their license applications on-line 24 hours a day.

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Reportable Conditions:

BHSE did not conduct continuing education audits of individuals in a timely manner. Also, BHSE did not sanction

individuals who did not obtain required continuing education training. (Finding 1)

BHSER did not restrictively endorse checks or money orders or store them in a secure location prior to deposit (Finding 2).

BHSER did not investigate allegations of improper conduct of health care professionals in a timely manner (Finding 3).

BHSER needs to improve its monitoring of complaints referred to the Department of Attorney General (Finding 4).

BHSER did not competitively bid its contracts for the Health Professional Recovery Program (HPRP) and prescription reporting services. Also, BHSER did not verify the propriety of all charges submitted by the HPRP contractor for reimbursement. (Finding 5)

BHSER needs to improve its monitoring of sanctions imposed against health care professionals to ensure that disciplinary actions are properly enforced (Finding 6).

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Agency Response:

Our audit contains 6 findings and 8 corresponding recommendations. BHSER's response indicated that it agrees and will comply with all of the recommendations.

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Background:

Throughout the period covered by this audit, BHSER was located within the Department of Consumer and Industry Services. However, the Governor, through Executive Order No. 2003-18, transferred BHSER to the Department of Community Health, effective December 7, 2003.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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